App. F. IX-4.

1925. 6.

Previous references. (G.F.)

File No. G.F. 106-25

Serial Nos. 1 to 4

Preserve Pay 12/9/45

Later references.

G.F. 83-25-3 to 5 & 31 to 33.
Fol. Dep. No 872-26.
Bdle No 4472-33
G.F. 126-26 (1 to 4)

GENERAL AND REVENUE SECRETARIAT.

GF 286-40(3 to 4)
G.F. 136-48(1, 2, 3 to 11)

Serial Nos. Two.

2-13-E

Part B for June 1926

SUBJECT

Request orders of Government as to whether amounts due to Government by Optional Subscribers to the State Provident Fund may be received from the balances repayable to them.

Secn. 4. To The Comptroller to Government

No. PF 7198 dated 26th June 1926

Informs him that all Provident Fund deposits whether made Compulsorily or at the option of the Subscriber enjoy the protection afforded by Sec. 4 of the Provident Fund Regulation.

AP 3/8

G. R. S. 58

Previous references.

1915.

(Municipal)

File No. 121/15

Serial Nos. 142

Later references.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 142

Part B for April 16

SUBJECT.

Alternative estimates with plans for the improvement to the Vettavadi Mutt building at Mole Varasipam.

To The Superintending Engineer,
Southern Circle, No 2490 dt 17.4.16

Returns the estimates stating that the Mutt properties have been sold & Co. Each the Mutt is responsible for the improvements.

W D 1351—GPB—20,000—13-12-15

Supdt Engineer
Madurai

1093

General and Revenue Secretariat

Q7 File No. 106

[App. F. III—2

of 1925

Serial No. 1

From Comptroller, HD 3RD 186 of 8.9.25 Requests advice of Govt: as to whether amounts due to Govt. by optional subscribers to the State Provident Fund may be recovered from the balances repayable to them.

2/ The file containing this office letter No Dl 1023 of 21.8.1922 addressed to the Bank of Mysore is not available

3/ A copy of the letter obtained from the Comptroller's office is put up

By Mrs 20/11

4/ Please put up Dl 1523 d. 25.8.24 & Submit with another file in the Bo on the same subject

Bo 4/12

4/ I should like to have the explanation of the C.W. for the delay. Why are the files not available. I regret to find that invariably be it has been the this habit to say that previous files and papers are not available. The papers should be submitted to me tomorrow morning

Bo 12/1.

copy of rules

R

1253.

Files should Hunt up. I am not responsible for the defective file Registering Hqrs all the above Sirdar in having the references

Mrs 20/11

3028 P of 25

(2)

General and Revenue Secretariat | G.Z. File No. 106 of 1925 | [App. F. III—2

Serial No

C R A

5) G.Z. File 220-20 & Cys 60-21 is put up -

It will be seen in the collection, that the letters Nos 21022 of 21.8.22 & 21253 of 25.8.21 issued to the Bank are not given serial nos & also no entry in the G.Z. File Register. Hence the trouble in tracing this reference.

Initials 2/1

6) The delay is extremely unsatisfactory. The discussions in the papers put up do not show whether that Secn 4 (2) can be held to apply to optional Subscribers. Please put up file relating to The Promulgation the S.P.F Regulation no IX of 1912.

Very sorry please

By

7) to The Supdt, Protection Pri 30/1
with compliments for kindly causing the file refd. to in para 6 to be put up.

Sgd 1/2

8) separate requisition. This may be kindly sent for Legs' file 24-1-S, Sts 1-S, &c

2/2 (Fwd Branch) 2/2

2pc rly note placed below

NOTE—Contn. Sheet

P.u.D.

Serial No

9. In his letter No. TAD.C.186 dated 8th September 1925, the Comptroller desired orders of Government as to whether amounts due to Government by optional subscribers to the State Provident Fund may be - recovered from the Balances repayable to them. The relative extract from the Comptroller's letter is - noted below for ready reference.

10. "I have the honour to state that Rule 4 of the - Regulation affords protection from liability only in certain cases (e.g.) compulsory deposits and deposits at the credit of deceased depositors payable to the heirs of the deceased."

11. "But the practice in this office since the receipt of your letter quoted above has been to hold all - classes of provident Fund deposits to be exempt from liability."

R.

12. This practice is based on letter No.Fl.1022 dated 21st August 1922 addressed to the Manager of the Bank of Mysore in which it was stated that "it was not - considered desirable to amend the law for permitting recovery from Provident Fund balances of amounts due to the employer constituting the fund and that the rules of the Bank providing for such recovery is not consistent with the Provident Fund Regulation."

2. 13. There is a difference between the employees of the Bank and of Government and that is, that in the - case of the Bank the Provident Fund is compulsory for its employees while under Government, subscription to Provident Fund is not compulsory except in certain - cases (Vide Rule. 2) So the question is -

NOTE—Contn. Sheet

Serial No

A.

whether the benefit from exemption from liability of all kinds even including Government dues should be given even to Balances due to optional subscribers. Kind attention is invited to the Dewan's order in the file relating to the amendment of the Provident Fund Regulation extracted below.

X X X X X

14 "I quite agree with the members and would go so far as to say that it is not playing the game to saddle the savings through Provident Fund with debts still due to Government after the subscribers death. It is for Government to realise the dues when he is in service and the persons ~~from~~ for whose benefit the fund is saved should not ~~not~~ be prejudiced for no fault of theirs. I am not in favour of any such amendment."

Intd. A.R.B.
17-6-22.

X X X X X

15 In these circumstances it is for orders whether optional contributions should be exempted and the practice reported by Comptroller to be followed in his office ~~executing~~ exempting balances of optional subscribers from all liabilities continued. I may add that recently this privilege was withdrawn even in the case of optional insurance- Vide G.O.No. 7664-4 8/28 5/19.

It may also be added that Government have recently permitted optional subscribers to offer their Provident Fund balances as "security deposits" and para (2) of the order states that the Head of the Office who accepts such security should advise the

WD 01264—GPB—40,000 -17-12-25

General and Revenue Secretariat

G.F File No. 106 of 1925.

Serial No.

Comptroller that the amounts pledged as security are not withdrawable as advances under the rules of the State Provident Fund and obviously therefore these balances are to be held as attachable on failure of performance of the duties or conditions specified in the Security Bond.

16 In these cirfumstances may the Comptroller be told that optional subscribers do not or cannot claim any exemptions from attachment? This will not however be in accordance with the extract from the Dewan's order referred to above unless that applies only to compulsory Provident funds.

B
22/2

H Secy)

P.T.O.

NOTE—Contn. Sheet

Serial No.

17 What exactly is the scope of the protection for ~~the~~ which provision ~~as~~ is made in Section 4 of Regulation No.IX of 1917, is the point raised by the Comptroller.

18 This Section consists of two parts: Sub-section (1) affords protection to "compulsory deposits". Sub-section (2) provides that any sum standing to the credit of any subscriber to, or depositor in, ~~xnyxxxxxxxxxxxxx~~ the Provident Fund at the time of his decease shall vest in the persons entitled thereto "free from any debt or oth liability incurred by the deceased," or incurred by the said persons "before the death of such su' criber or depositor."

19 'Compulsory Deposit' is defined in Section 2(3 Compulsory subscribers are defined in Rule 2 of the Rules under the Regulation. Whether a subscription is optional or compulsory, it is not returnable on demand or at the option of the subscriber: vide first sentence of Rule 10. Whethe in view of what is provided for in this sentence all deposits, whether made by optional or compulsory subscribers, are 'compulsory deposits' for th purpose of Section 4 of the Regulation, is a poi which is not clear. The Rules, however, as alre stated, distinguish between compulsory and volun tary subscribers; and apart from the question of legal interpretation of the expression 'compulsory deposits' occurring in Section 4 of the Regulation, it see reasonable

NOTE—Contn. Sheet

Serial No

reasonable to hold that the privilege of protection from attachment under any decree or order of a court should apply only to deposits of compulsory subscribers and not to those of optional subscribers. Whether this lay view can be suppor-ed by legal opinion, is one point for settlement

2 A similar doubt arises in regard to the protection afforded in Sub-section 2 of Section 4 of the Regulation. Does the freedom ~~from~~ from attachment ~~of~~ for any debt or other liability incurred by the deceased subscriber or by a claimant before the death of the subscriber, apply to the amounts standing to the credit of compulsory subscribers or also to those standing to the credit of optional subscribers is another point to be settled

3 The law relating to Provident Funds in British India was recently amended and consolidated in Act No. X XIX of 1925 and it may throw light on the points of doubt raised above.

4 Forwarded, with compliments, to the L. & L. Secretary for favour of advice on the points raised by the Comptroller.

Mule
5/5/26

23

From the definition of 'Compulsory deposit' & from rule 10, it is clear that deposits made by optional Subscribers are fall within the definition of 'compulsory deposit' for such deposits are not repayable by rule 10 at the option of the Subscriber.

NOTE—Contn. Sheet

Serial No

9th In his view protection afforded by Section applies to all deposits whether made compulsorily or at the option of the Labourer

Put Secy with Compts

W.O.V. 31/5

25 a/s. Draft

31/5

26. Draft Subd

B. 8/6

27 Kind attention is invited to the G.O. flagged A in linked file & the connected papers. This G.O. should be withdrawn as it was issued on the understanding that optional deposits were attachable towards Govt dues. I have also a recollection that in some of the cases attachments towards Govt dues have been ordered from voluntary S.F. Contributions.

28. This decision is a very important one & the papers may perhaps be also submitted to the Dewan

B
8/6

Fl Secy

29 Draft in accordance with legal opinion is put up for approval.

In the circumstances, the Govt of 14th Oct 1925. - Flag A

Linked file

Serial No.

1

permitting voluntary deposits in the V. P. fd being accepted as security has to be Cancelled.

2nd member) 9/6/26.

677/106

30 A. Appd.

31 B. May be cancelled. We may state that deposits already accepted as security may continue and that no more s/d be accepted

Mee 26/6/26

32 A. Issue.

33 B. Put up draft. 17/6

Why? Accepted — A Draft re. B shd be held ready in any case A

34 This may perhaps be submitted to Dewan for personal perusal before issue.

B 18/6.

Appd) [illegible] 14/6/26.

35. Put up draft re- B.

36. B 15/6

Draft re B. Subd — It is an L-R order that is proposed to be cancelled now & the draft re B. cancelling that order has therefore to be considered in L.R. Branch & issued from there. If appd. the draft A already opened for issue will be issued from P/D and then the

NOTE—Contn. Sheet

WD 01264—GPB—40,000—1
App. F. III—2]

General and Revenue Secretariat

G.F. File No. 106 of 192 6.

Serial No.

file transferred to L-R Branch for issuing the other draft re B.

B 17/6

37. Both may perhaps come together draft 'A' coming after draft 'B' is approved by Dewan who is in Chairs of L—R.

B 19/6

(Finl dy)

38. Please take action as per para 32 and then resubmit.

39. Draft B is not in accordance with para 31.

L 19.6.26

40. This was submitted to Secy as the marginal remarks in the previous page were not clear

B 20/6

Br. 41. Take action as per Secy's orders and resubmit

B 20/6

To the Comptr to Govt - letter No. 71 7198 98 dt 20/6 Informing him that all P.F. deposits whether made compulsorily or at the option of the Subscriber enjoy the protection afforded by sec. 4. of the Regn.

42 Resubt as directed in para 41 supra.

B 25/6

Refer Paras 33 & 39.

Draft for approval

B 26/6

Please keep files neat B 26/6

B 30/6

Fin Secy) To Revenue with compliments

NOTE—Contn. Sheet

12443

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT
OF HIS HIGHNESS THE MAHARAJA OF MYSORE,

No. TAD.C.186.

Bangalore, dated 8th September 1925.

From

DIARY NO. 1093

1925 — 1926
Section. G.F.
Bangalore.
F. No. 106-25
Page No. 1 to 1

T. SATYARAJ CHETTY, Esq., B.A.,
Comptroller to the Government of
His Highness the Maharaja of Mysore.

H SECTION. 9 SEP. 1925 F. D. SECTION.

To

Rajakaryaprasaktha Dewan Bahadur
M.N.Krishna Rao Esq., B.A.,
Secretary to the Government of Mysore,
Financial Department.

R

Sir,

Adverting to your Memorandum No.1023 dated 21st August 1922 forwarding copy of your letter No.Fl.1022 of the same date addressed to the Manager, Bank of Mysore, Ltd., Bangalore, communicating the orders of Government declining to amend the State Provident Fund Regulation IX of 1917 so as to permit recovery from provident Fund balance of amounts due to the employer constituting the Fund for note and guidance in regard to the State Provident Fund, I have the honour to state that Rule 4 of the Regulation affords protection from liability only in certain cases (e.g) compulsory deposits and deposits at the credit of deceased depositors payable to the heirs of the deceased.

But the practice in this office since the receipt of your letter quoted above has been to hold all classes of provident Fund deposits to be exempt from liability. I request you to be so good as to communicate orders of Government as to whether amounts due to Government by optional subscribers to the State Provident Fund may be recovered from the balances repayable to them.

I have the honor to be,
Sir,
Your most obedient servant,

T. Satyaraj Chetty
Comptroller.

U.

Submitted for orders with a copy of the Rules.

13/10.

P.T.O.

APP. F. VI. Gl.]

UBJECT.....

.....

.....

Section G.F

File No. 106-25

Serial No. 4

No. H 7198

Diary No. of letter replied to.....

General and Revenue Secretariat

( )

the *192*

To

The Comptr. to Govt.

Date of issue 25.6.26

Signed by Asst. S.B.

Sir,

With reference to your letter No. T.A.D.C. 186 dated 8/9/ Soliciting orders of Govt as to whether amounts due to Govt by optional Subscribers to the State Provident Fund may be recovered from the balances pay to them, I am directed to state ~~as follows~~.

List of enclosures.....

all classes P.F. deposits & Exempt from liability is in

Copied by.....

Examined by.....

→ From the definition of — "compulsory deposit" from Rul it is clear that deposits mai

over

by optional Subscribers fall
within the definition of
'compulsory deposit' for
such deposits are not repayable
by rule 10 at the option of
the Subscriber, and therefore
the protection afforded ~~to~~ by
Section 4 applies to all deposits
whether made compulsorily
~~or~~ or at the option of the Subscriber.

Thaveer

h
9.6.26.

Fin. Sec
By
3/6